

**MINUTES OF THE STANDING COMMITTEE
ON RETIREE HEALTH CARE REFORMS**

Thursday, February 21, 2008 9:00 a.m. Room 521 House Office Building, Lansing

Representative Meadows, Chair, called the meeting to order.

MEMBERS PRESENT: Representatives Meadows, Spade, Alma Smith, Valentine, Wenke, Calley, Knollenberg, Moss.

ABSENT/EXCUSED: Representatives Coulouris, Johnson.

Representative Calley made a motion to adopt the minutes of the meeting of January 31, 2008. No objections being offered, the minutes were accepted as presented.

Representative Spade made a motion to excuse absent members. No objections being offered, absent members were excused.

W. Alan Wilk of Dykema Gossett, PLLC, spoke to the Committee regarding 115 Trusts. Topics discussed included: the "16 Acronym Dilemma" and a review of the acronyms; why exploring options for alternatives to fund retiree health care costs is on-going and the rising cost of retiree health care; GASB accounting standards for OPEB liabilities; the current status of retirement plans in Michigan; health funds in the current retirement systems (Section 115 or Section 401 (h) accounts); account options for the future, health reimbursement accounts; mandatory Section 115 Trust requirements and necessary steps for a 115 Trust; funding for a 115 Trust and flexibility of a 115 Trust; and IRS rulings.

Subsequent to discussion, Chair Meadows declared the meeting adjourned, the time being 10:08 a.m.

Representative Mark Meadows, Chair

Catherine Petroskey, Committee Clerk
(517) 373-8538